

WASHINGTON DELEGATION

April 18, 1980

Trade Affairs

RDS/dk

441.2(103)

Note for Sir Roy Denman

EC/US TRADE 1979

Please find attached the Washington Delegation's annual analysis of EC/US trade for 1978 and 1979.

This study highlights U.S. trade with the E.C. as well as with each member country and provides an overall view of U.S. trade patterns since 1970.

cc: Cabinet of the President

Cabinet V.P. Haferkamp

Cabinet V.P. Ortoli

Cabinet V.P. Gundelach

Cabinet Commissioner Cheysson

Cabinet Vicomte Davignon

Mr. Noël, Secretary-General

DG I: MM. Caspari, Loeff, de Kergorlay, Luyten, Meynell,
Phan van Phi, Maes, Hardy

DG III: MM. Braun, Schloesser, Cecchini, Loerke

DG VI: MM. Villain, Williamson, Pizzuti, von Verschuer, Jacquot

Delegations: Paris, Geneva, Tokyo, Ottawa, New York, Caracas

WASHINGTON DELEGATION

April 1980

Trade Affairs

E.C./U.S. TRADE 1979

LIST OF TABLES

Table 1:	Annual Value of U.S. Exports, Imports and Merchandise Balance, f.a.s. and c.i.f. basis 1970-1979
Table 2:	U.S. Trade by Trading Partner 1970-1979
Table 3:	Trend of U.S. Trade with the E.C. 1970-1979
Table 4:	U.S. Imports and Exports of Manufactured Goods
Table 5:	U.S. Trade with E.C. in Manufactures
Table 6:	U.S. Trade by "End-Use" Categories
Table 7:	U.S. Trade with E.C. by "End-Use" Categories
Table 8A:	Origin of U.S. Imports 1970-1978
Table 8B:	Origin of U.S. Imports 1977-1979. Revised Geographic Breakdowns
Table 9A:	Destination of U.S. Exports 1970-1978
Table 9B:	Destination of U.S. Exports 1977-1979. Revised Geographic Breakdowns
Table 10:	U.S. Imports from the E.C. and from All Origins
Table 11:	U.S. Imports from the E.C. by Country
Table 12:	U.S. Exports to the E.C. and to All Destinations
Table 13:	U.S. Exports to the E.C. by Country
Table 14:	World Trade Balance and Current Account Balance

GENERAL TRADE DEVELOPMENTS 1979

The U.S. trade deficit narrowed slightly in 1979 to \$24.5 billion, a \$4 billion improvement on the record \$28.5 billion deficit in 1978*. Export growth accelerated to 27 percent, up from 19 percent in 1978 and a sluggish 5 percent in 1977.

Export growth was led by a 23 percent increase in manufactures exports, which shifted the manufactures trade balance from a \$5.7 billion deficit in 1978 to a \$4.3 billion surplus last year. Agricultural exports increased 18 percent to \$34.7 billion.

The improved U.S. export performance in 1979 parallels economic recovery abroad which had lagged behind U.S. recovery following the 1975 recession. A second factor in the improvement is the effect of the depreciation of the dollar over the past two years.

Import growth increased in 1979 to 20 percent, almost entirely as a result of higher priced petroleum imports which increased from \$39.5 billion to \$56.8 billion last year. Imports excluding oil grew 13 percent compared with 26 percent in 1978, reflecting a further slowdown in U.S. economic growth.

Import growth, which was broad based, was again led by imports of capital goods, up 28 percent from 1978 levels to \$24.6 billion.

TRADE BALANCE BY REGION

U.S. bilateral trade balances again experienced significant shifts in 1979. The most significant feature was the tripling of the U.S. surplus with the E.C. to a record \$9.3 billion. The previous

. / 2

*) Trade data in this report are on a f.a.s. basis. For a comparison of U.S. trade balances on an import f.a.s. versus c.i.f. basis, see Table 1.

high was \$7.6 billion in 1976.

The U.S. trade deficit with Japan narrowed from \$11.6 billion to \$8.7 billion in 1979 while its deficit with Canada improved marginally from \$5.2 billion to \$5.0 billion. Clearly the U.S. trade balance vis-a-vis developed countries has been moving in the U.S.' favor reflecting relative growth rates and currency movements.

By contrast, the U.S. balance with oil producing LDCs almost doubled during 1979 to \$30.2 billion reflecting the higher oil import bill.

The U.S. surplus with Communist countries also increased during 1979 - from \$2.7 billion to \$4.9 billion. The following table summarizes U.S. bilateral trade balances for 1978 and 1979.

U.S. TRADE BALANCE BY WORLD REGION

(\$ billion (f.a.s.))

<u>Area</u>	<u>1978</u>	<u>1979</u>
E.C.	+3.0	+9.3
Canada	-5.2	-5.0
Japan	-11.6	-8.7
Petroleum exporting		
LDCs	-16.3	-30.2
Non-Oil LDCs	-2.1	+0.8
Communist Countries	+2.7	+4.9

Source: U.S. Department of Commerce

For a more detailed breakdown of U.S. exports, imports and balance by trading partner since 1970, see Table 2.

U.S.-E.C. TRADE DEVELOPMENTS

U.S. exports to the E.C. during 1979 increased 33 percent (Table 3), exceeding the overall export growth rate (27 percent), while imports from the E.C. lagged overall import growth (15 percent versus 20 percent).

The widening of the U.S. trade balance with the E.C. since the mid-1970s has not been due to an increase in the bilateral agricultural trade balance which has averaged \$5 billion in the U.S. favor over the past several years. Rather, the tripling of the U.S. surplus resulted from a rise in U.S. non-agricultural exports to the Community, particularly of manufactured and capital goods. This increase reflects increased capital investment and replacement in Community countries as well as continued development of North Sea oil.

Overall, the Community share of U.S. imports declined marginally last year, from 16.9 percent to 16.1 percent, while the E.C. share of U.S. exports increased from 22.3 percent to 23.5 percent.

As regards trade with the individual Member States, the U.K. now accounts for 25 percent of U.S. exports to the Community, with the Federal Republic of Germany in second place with 20 percent.

The rankings were reversed for U.S. imports from the Community, with the Federal Republic accounting for 33 percent and the U.K. 24 percent.

COMMODITY STRUCTURE OF U.S. TRADE

The commodity structures of U.S. trade is heavily dependent on manufactured goods which, in 1979, accounted for 65 percent of exports and 55 percent of imports. The main feature of the improved U.S. trade picture last year was a shift in the manufactured goods balance from a \$5.7 billion deficit to a \$4.3 billion surplus. (Table 4).

This reflected a 23 percent increase in manufactures exports last year to \$116.6 billion while manufactures imports grew at a more sluggish 12 percent to reach \$112.3 billion. Within manufactures exports, machinery exports accounted for 40 percent of the total.

Machinery and transport equipment, and chemicals ran a combined trade surplus of \$26.6 billion, while manufactured goods classified by material, and miscellaneous manufactured articles both registered modest improvements over 1978 deficit levels.

U.S. trade with the E.C. in manufactured goods generally followed the above pattern, with a reduction in the U.S. bilateral manufactures deficit from \$4.0 billion to \$0.7 billion. (Table 5). As in 1978, and in common with overall U.S. manufactures trade, the U.S. deficits with the E.C. were greatest in the category manufactured goods by material - a category which includes iron and steel, nonferrous metals, and textiles.

NON-MANUFACTURED EXPORTS

U.S. non-agricultural exports, other than manufactures, grew rapidly in 1979. Exports of non-monetary gold in particular

quadrupled in value to \$4.9 billion, resulting from increased U.S. Treasury and IMF gold sales and high market prices. The E.C. accounted for \$2.3 billion, or 40 percent, of gold exports with the U.K. alone accounting for \$2.0 billion.

Coal exports increased 66 percent in 1979, up from 1978 strike depressed levels to \$3.3 billion. Exports of coal to the E.C. accelerated 120 percent to \$911 million.

U.S. TRADE BY END-USE

Analysis of U.S. trade by 'end-use' categories gives a useful breakdown of trade into capital and consumer goods. Capital goods account for almost one-third of U.S. export earnings, while industrial supplies (which includes petroleum and iron and steel products) comprise over half the import bill. Petroleum imports alone accounted for 28 percent of U.S. imports by value in 1979.

The following table summarizes U.S. end-use trade.

<u>Category</u>	<u>% of Exports</u>			<u>% of Imports</u>		
	<u>1970</u>	<u>1978</u>	<u>1979</u>	<u>1970</u>	<u>1978</u>	<u>1979</u>
Capital Goods excl. Automotive	32	32	32	10	12	12
Industrial Supplies & Materials	32	27	31	38	48	51
- Petroleum & Products	7	1	1	1	23	28
Foods, Feeds & Beverages	13	17	16	16	9	8
Automotive Vehicles	9	10	9	15	15	12
Consumer Goods	6	7	7	19	15	15

Source: U.S. Department of Commerce, FT 990

The strength of U.S. capital goods sector is reflected in the U.S. trade balance for end-use categories. (Table 6). In 1979, the capital goods surplus increased 23 percent to \$33.0 billion. As in 1978 capital goods import growth exceeded export growth (28 percent).

The U.S. capital goods surplus with the E.C. increased from \$5.3 billion to \$6.9 billion in 1979. Examination of the geographic composition of U.S. capital goods suppliers show the following pattern since 1970.

U.S. Capital Goods By Supplier

(percent)

		<u>E.C.</u>	<u>Canada</u>	<u>Japan</u>	<u>East Asia*</u>
Capital Goods	1970	43	22	16	6
	1977	34	15	22	14
	1978	33	13	25	14
	1979	32	15	23	14
- Electrical Machinery	1970	21	18	23	18
	1977	16	7	23	34
	1978	11	6	27	35
	1979	11	7	25	35
- Non-Electrical Machinery	1970	51	21	15	1
	1977	42	18	23	4
	1978	42	14	26	4
	1979	41	15	25	5

Source: U.S. Department of Commerce, FT 990

*) Includes Hong Kong, Taiwan, Rep. of Korea - See Appendix I

The U.S. has suffered deficits in automotive and consumer goods for a decade. In 1979, the combined deficit for these categories declined marginally from \$27.7 billion to \$27.0 billion. The overall

consumer goods deficit remained steady at \$17.9 billion while the bilateral deficit with the E.C. fell from \$3.4 billion to \$3.1 billion (Table 7). The E.C. share of consumer goods imports continued to decline in 1979 to 20 percent as can be seen from the following table.

U.S. Consumer Goods Imports By Main Supplier

(percent)

	<u>E.C.</u>	<u>Japan</u>	<u>East Asia</u>
1970	28	34	19
1977	20	24	35
1978	21	22	36
1979	20	18	38

Source: U.S. Department of Commerce, FT 990

The deficit in automotive vehicles decreased slightly in 1979 from \$9.8 billion to \$9.1 billion, largely due to a fall off in imports from Canada. The U.S. automotive deficit with the E.C. increased from \$4.0 billion to \$4.4 billion.

Both the E.C. and Japanese share of imports increased during 1979, reflecting increased U.S. demand for small, fuel-efficient automobiles.

U.S. Automotive Imports By Main Supplier

(percent)

	<u>E.C.</u>	<u>Japan</u>	<u>Canada</u>
1970	27	11	60
1977	18	29	49
1978	19	34	43
1979	21	36	37

Source: U.S. Department of Commerce, FT 990

ORIGINS OF U.S. IMPORTS

The E.C. share of U.S. imports reached 17 percent in 1978 following a declining trend in the period 1970-1976 when the Community share fell from 23 percent to 15 percent. In 1979 the E.C. share declined again to 16 percent (Tables 8A, 8B). Both Japan's and East Asia's shares fell 1 percent while OPEC's share increased 2 percent to 20 percent.

DESTINATION OF U.S. EXPORTS

The E.C. remains the largest market for U.S. exports, rising to 24 percent in 1979 following an average share of 22 percent since 1974. (Tables 9A, 9B). Canada, the second largest purchaser of U.S. goods registered a 2 percent decline in 1979. The share of OPEC also declined (4 percent) while Japan, Latin America and East Asia all registered 1 percent increases.

U.S. IMPORTS FROM THE E.C. AND FROM ALL ORIGINS

The growth rate of U.S. imports from the E.C. lagged overall U.S. import growth in 1979 - 15 percent compared with 20 percent (Table 10). The discrepancy was particularly marked in U.S. agricultural imports from the Community which declined 1 percent compared with an overall increase of 13 percent. U.S. non-agricultural imports grew 21 percent with imports from the E.C. increasing 16 percent. Consequently, the E.C. share of U.S. agricultural imports has declined from 13 percent in 1978 to 11 percent, while the

Community share of non-agricultural imports has remained constant at 17 percent.

U.S. import categories experiencing high growth rates from the E.C. during 1979 were petroleum products (+102 percent), tires and tubes (+31 percent) and footwear (+30 percent). Negative growth rates were registered in fish (-27 percent), meat and meat preparations (-21 percent), iron and steel (-10 percent) and clothing (-5 percent).

U.S. EXPORTS TO THE E.C. AND TO ALL DESTINATIONS

U.S. exports to the E.C. increased 33 percent in 1979, higher than the overall growth rate of 27 percent. U.S. exports of agricultural goods to all regions increased 18 percent, while exports to the E.C. registered a more sluggish 7 percent rise. (Table 12).

In common with 1978, U.S. exports of non-agricultural goods experienced the opposite trend, with exports to the Community exceeding overall growth (41 percent versus 29 percent).

As a result of these trends the Community share of U.S. agricultural exports declined from 24 to 22 percent while its share of U.S. non-agricultural exports rose from 22 percent to 24 percent.

U.S. export growth to the E.C. was highest in nonmonetary gold bullion and scrap* (+187 percent), metal ores (+142 percent), mineral fuels (+88 percent), textile yarns (+67 percent) and raw textile fibers (+60 percent). Meanwhile, soybeans, oils and fats (-2 percent) and grains and cereals (-1 percent) showed negative growth rates.

./10

*) Nonmonetary gold bullion and scrap were included in the U.S. trade balance for the first time in 1978.

U.S. TRADE WITH THE E.C. BY MEMBER STATE

Tables 11 and 13 give a detailed breakdown of U.S. trade by commodity and member state. The following table summarizes member states rankings for 1979.

Ranking of Member States' Trade With U.S. 1979

(\$ million, f.a.s. value basis)

Rank	<u>U.S. Exports To</u>			<u>U.S. Imports From</u>		
	<u>Country</u>	<u>Value</u>	<u>%</u>	<u>Country</u>	<u>Value</u>	<u>%</u>
1	U.K.	10,635	25	FRG	10,955	33
2	FRG	8,482	20	U.K.	8,029	24
3	Nether-					
	lands	6,907	16	Italy	4,918	15
4	France	5,587	13	France	4,771	14
5	Bel-Lux	5,186	12	Nether-		
				lands	1,852	6
6	Italy	4,359	10	Bel-Lux	1,741	5
7	Denmark	732	2	Denmark	707	2
8	Ireland	695	2	Ireland	323	1

The U.K. remains the leading Community market for U.S. exports, having increased its share from 22 percent to 25 percent in 1979. The Federal Republic of Germany's share declined from 22 percent to 20 percent to remain in second place. All export rankings remain unchanged from 1978.

On the import side, the Federal Republic is still the largest Community supplier of goods to the U.S., although its share fell 1 percent last year to 33 percent. The U.K. increased its share from 22 percent to 24 percent. Other rankings remained unchanged with the exception of the Netherlands which now ranks fifth having changed places with Belgium-Luxembourg, now in sixth place.

CONCLUSION

The trade balance is only a single constituent, albeit a major one, within the broader context of the U.S. balance of payments. The more comprehensive current account balance, which includes international transactions and payments was in virtual equilibrium in 1979, with the trade deficit offset by a large surplus in investment income payments and other service transactions. Nevertheless, the trade balance remains an important indicator of U.S. competitiveness on world markets. The following table summarizes U.S. current account transactions.

CURRENT ACCOUNT TRANSACTIONS

(\$ billion, balance of payments* basis)

	<u>1977</u>	<u>1978</u>	<u>1979</u>
Merchandise trade balance	-30.9	-33.8	-29.5
Exports	120.8	142.1	182.1
Imports	151.7	175.8	211.5
Net Service Receipts	21.4	25.4	34.8
Military, net	1.7	0.5	-1.2
Travel, net	-2.7	-2.5	-1.9
Investment Income, net	18.0	21.6	32.3
- direct, net	17.2	21.7	31.7
- other, net	0.7	-0.1	0.6
Other Services, net	4.5	5.8	5.6
Unilateral Transfers, net	-4.7	-5.1	-5.6
<u>Balance on Current Account</u>	-14.1	-13.5	-0.3

Source: U.S. Department of Commerce, various

*) Trade on a balance of payments basis excludes the military trade of U.S. defense agencies, and reflects adjustment to Census Bureau trade figures for timing coverage and valuation

For an international comparison of world trade balances and current account balances, see Table 14.

TABLE 1

ANNUAL VALUE OF U.S. EXPORTS, IMPORTS AND MERCHANDISE BALANCE, 1970-1979

(Billions of dollars)

	Exports (f.a.s.)	Imports (f.a.s.)	Balance (f.a.s.)	Imports (c.i.f.)	Balance (Exports f.a.s., Imports c.i.f.)
1970	42.7	40.1	2.6	42.6	A*
1971	43.6	45.8	- 2.2	48.6	- 5.0
1972	49.2	55.9	- 6.7	59.2	-10.0
1973	70.9	69.8	1.0	73.9	- 3.1
1974	98.0	100.5	- 2.7	108.4	-10.4
1975	107.6	96.6	11.0	103.8	3.7
1976	115.2	121.0	- 5.9	129.9	-14.7
1977	121.2	147.7	-26.5	157.6	-36.4
1978	143.6	172.0	-28.5	183.1	-39.6
1979	181.8	206.3	-24.5	218.9	-37.1

A* less than \$500 million

Source: U.S. Department of Commerce, Overseas Business Report, FT 990 December 1979

TABLE 2

U.S. TRADE BY TRADING PARTNER 1970-1979

(Billions of dollars, f.a.s. value basis)

	Exports	Imports	Balance
U.S. Trade with E.C.			
1970	11.3	9.2	2.1
1971	11.1	10.4	0.7
1972	11.9	12.5	- 0.6
1973	16.7	15.6	1.1
1974	22.1	19.0	3.1
1975	22.9	16.6	6.3
1976	25.4	17.8	7.6
1977	27.1	22.2	4.9
1978	32.0	29.0	3.0
1979	42.6	33.3	9.3
U.S. Trade with Canada			
1970	9.1	11.1	- 2.0
1971	10.4	12.7	- 2.3
1972	12.4	14.9	- 2.5
1973	15.1	17.7	- 2.6
1974	19.9	21.9	- 2.0
1975	21.7	21.7	(a)*
1976	24.1	26.2	- 2.1
1977	25.8	29.6	- 3.8
1978	28.4	33.5	- 5.2
1979	33.1	38.1	- 5.0
U.S. Trade with Japan			
1970	4.7	5.9	- 1.2
1971	4.1	7.3	- 3.2
1972	5.0	9.1	- 4.1
1973	8.3	9.7	- 1.4
1974	10.7	12.3	- 1.7
1975	9.6	11.3	- 1.7
1976	10.1	15.5	- 5.4
1977	10.5	18.6	- 8.0
1978	12.9	24.5	-11.6
1979	17.6	26.2	- 8.7
U.S. Trade with OPEC and Other Oil Exporting LDCs			
1970	2.7	2.5	0.1
1971	3.0	3.1	- 0.2
1972	3.4	3.8	- 0.4
1973	4.7	6.4	- 1.7
1974	8.3	20.5	-12.2
1975	12.8	21.5	- 8.7
1976	14.8	29.4	-14.6
1977	16.5	38.5	-22.1
1978	19.3	35.6	-16.3
1979	18.5	48.7	-30.2
U.S. Trade with Non-Oil LDCs			
1970	10.3	7.9	2.4
1971	10.5	8.4	2.0
1972	11.1	10.6	0.6
1973	16.3	13.9	2.4
1974	24.4	18.9	5.5
1975	26.4	17.7	8.7
1976	25.6	23.2	2.4
1977	26.8	29.2	- 2.3
1978	33.6	35.7	- 2.1
1979	44.5	43.7	0.8
U.S. Trade with Communist Countries			
	USSR	PRC	Other
1970	0.1	(a)	0.2
1971	0.2	(a)	0.2
1972	0.5	0.1	0.3
1973	1.2	0.7	0.6
1974	0.6	0.8	0.8
1975	1.8	0.3	1.0
1976	2.3	0.1	1.2
1977	1.6	0.2	0.9
1978	2.3	0.8	1.4
1979	3.6	1.7	2.1
	USSR	PRC	Other
1970	0.1	(a)	0.2
1971	0.2	(a)	0.1
1972	0.5	0.1	0.3
1973	1.2	0.7	0.6
1974	0.6	0.8	0.8
1975	1.8	0.3	1.0
1976	2.3	0.1	1.2
1977	1.6	0.2	0.9
1978	2.3	0.8	1.4
1979	3.6	1.7	2.1

*(a) less than \$500,000

Source: U.S. Department of Commerce, FT 990 December 1970 through 1979

TABLE 3

TREND OF U.S. TRADE WITH THE E.C. 1970-1979

(Millions of dollars, f.a.s. value basis)

	US Imports from EC	% Change	% of Total US Imports	US Exports to EC*	% Change	% of Total US Exports	BALANCE
<u>E.C. (6 countries), + U.K., Ireland, Denmark</u>							
1970	9,222		23.1%	11,299		26.1%	+2,077
1971	10,431	+13%	22.9%	11,141	- 1.4%	25.2%	+ 710
1972	12,489	+20%	22.5%	11,900	+ 7 %	23.9%	- 589
<u>E.C. (9 countries)</u>							
1973	15,605	+25%	22.5%	16,745	+41 %	23.5%	+1,140
1974	19,035	+23%	19.0%	22,068	+32 %	22.4%	+3,033
1975	16,610	-13%	17.3%	22,865	+ 4 %	21.3%	+6,255
1976	17,844	+ 7%	14.8%	25,409	+11 %	22.1%	+7,558
1977	22,209	+24%	15.0%	27,092	+ 7 %	22.3%	+4,883
1978	29,006	+31%	16.9%	32,048	+18 %	22.3%	+3,042
1979	33,295	+15%	16.1%	42,582	+33 %	23.5%	+9,287

*Exports include both domestic and foreign merchandise

Source: U.S. Department of Commerce, FT 990, Tables E-3, I-6

TABLE 4

U.S. IMPORTS AND EXPORTS OF MANUFACTURED GOODS

(Billions of dollars, f.a.s. value basis)

		<u>Imports</u>	<u>Exports</u>	<u>Balance</u>
SITC 5	Chemicals			
	1970	1.5	3.8	+ 2.3
	1977	5.4	10.8	+ 5.4
	1978	6.4	12.6	+ 6.2
	1979	7.5	17.3	+ 9.8
SITC 6	Manufactured goods classified chiefly by material			
	1970	8.4	5.1	- 3.3
	1977	21.4	11.3	-10.1
	1978	27.2	12.5	-14.7
	1979	30.1	16.2	-13.9
SITC 7	Machinery and transport equipment			
	1970	11.2	17.9	+ 6.7
	1977	35.5	51.0	+15.5
	1978	47.6	59.3	+11.7
	1979	53.7	70.5	+16.8
SITC 8	Miscellaneous manufactured articles			
	1970	4.8	2.6	- 2.2
	1977	14.9	7.3	- 7.6
	1978	19.1	10.2	- 8.9
	1979	21.0	12.6	- 8.4
SITC 5-8	Total manufactures*			
	1970	25.9	29.4	+ 3.5
	1977	77.2	80.4	+ 3.2
	1978	100.3	94.6	- 5.7
	1979	112.3	116.6	+ 4.3

1970: Customs value;
1977, 1978, 1979: F.a.s. value

*Total manufactures includes reexport

Source: U.S. Department of Commerce, FT 990

TABLE 5

U.S. TRADE WITH E.C. IN MANUFACTURES

(Billions of dollars, f.a.s. value basis)

		<u>Imports</u>	<u>Exports</u>	<u>BALANCE</u>
SITC 5	Chemicals	1976	1.9	2.9
		1977	2.2	2.9
		1978	2.8	3.6
		1979	2.9	4.6
SITC 6	Manufactured goods classified chiefly by material	1976	3.4	2.4
		1977	4.8	2.2
		1978	6.1	2.5
		1979	6.2	3.7
SITC 7	Machinery and transport equipment	1976	7.0	8.1
		1977	8.2	8.8
		1978	11.1	11.0
		1979	13.2	14.1
SITC 8	Miscellaneous manufactured articles	1976	2.5	1.8
		1977	2.9	2.1
		1978	4.0	2.9
		1979	4.6	3.8
SITC 5-8	Total manufactures	1976	14.8	15.2
		1977	18.1	16.0
		1978	24.0	20.0
		1979	26.9	26.2

Source: U.S. Department of Commerce, FT 990

TABLE 6

U.S. TRADE BY "END-USE" CATEGORIES

(Billions of dollars, f.a.s. value basis)

		<u>Imports</u>	<u>Exports</u>	<u>BALANCE</u>
Foods, feeds, and beverages	1970	6.2	5.8	- 0.4
	1977	13.9	19.6	+ 5.7
	1978	15.4	25.0	+ 9.6
	1979	17.4	29.6	+12.2
Industrial supplies and materials	1970	15.1	13.8	- 1.3
	1977	75.6	33.5	-42.1
	1978	81.7	39.0	-42.7
	1979	105.0	57.1	-47.9
Capital goods, except automobiles	1970	3.8	14.4	+10.6
	1977	13.4	39.0	+25.6
	1978	19.2	46.0	+26.8
	1979	24.6	57.6	+33.0
Automotive vehicles, parts, and engines	1970	6.0	3.7	- 2.3
	1977	18.7	12.1	- 6.6
	1978	24.3	14.5	- 9.8
	1979	25.6	16.5	- 9.1
Consumer goods (nonfood), except automotive	1970	7.6	2.7	- 4.9
	1977	22.4	8.8	-13.6
	1978	28.2	10.3	-17.9
	1979	30.3	12.4	-17.9

1970: Customs value;

1977, 1978, 1979: F.a.s. value

TABLE 7

U.S. TRADE WITH E.C.* BY "END-USE" CATEGORIES

(Billions of dollars, f.a.s. value basis)

		<u>Imports</u>	<u>Exports</u>	<u>BALANCE</u>
Foods, feeds, and beverages	1970	0.8	1.6	+0.8
	1977	1.7	5.7	+4.0
	1978	2.3	6.1	+3.8
	1979	2.4	6.5	+4.1
Industrial supplies and materials	1970	2.4	4.1	+1.7
	1977	7.3	7.9	+0.6
	1978	9.2	9.9	+0.7
	1979	10.6	15.5	+4.9
Capital goods, except automobiles	1970	1.6	4.1	+2.5
	1977	4.5	9.1	+4.6
	1978	6.3	11.6	+5.3
	1979	7.9	14.8	+6.9
Automotive vehicles, parts, and engines	1970	1.6	0.1	-1.5
	1977	3.4	0.5	-2.9
	1978	4.7	0.7	-4.0
	1979	5.4	1.0	-4.4
Consumer goods (nonfood), except automotive	1970	2.1	0.6	-1.5
	1977	4.4	2.1	-2.3
	1978	5.8	2.4	-3.4
	1979	6.2	3.1	-3.1

*Figures for 1970 are E.C. (6) + U.K. Data for Denmark and Ireland not available

1970: Customs value;

1977, 1978, 1979: F.a.s. value

Source: U.S. Department of Commerce, FT 990.

TABLE 8A

ORIGIN OF U.S. IMPORTS 1970-1978

(Percent)

	EC	Other Western Europe	Communist Europe	Japan	Canada	20 Latin American Republics	Near East	Africa	Other
1970	23	5	1	15	28	12	1	2	13
1971	23	5	(a)	16	28	11	1	2	14
1972	22	5	1	16	27	10	1	2	16
1973	22	5	1	14	26	11	2	3	16
1974	19	4	1	12	22	14	5	6	17
1975	17	4	1	12	23	12	6	8	17
1976	15	4	1	13	22	11	8	10	16
1977	15	4	1	13	20	11	9	11	16
1978	17	4	1	14	19	11	7	8	19

(a) = Less than 0.5 percent

Source: U.S. Department of Commerce, FT 990

TABLE 8B*

ORIGIN OF U.S. IMPORTS 1977-1979

(Percent)

	<u>Other Western Europe</u>		<u>Communist Europe</u>	<u>Japan</u>	<u>Canada</u>	<u>Latin America</u>	<u>Other Western Hemisphere</u>		<u>OPEC</u>	<u>East Asia</u>	<u>Africa</u>	<u>Other</u>
1977	15	4	1	13	20	8	3		22	10	3	1
1978	17	4	1	14	19	8	3		18	11	5	3
1979	16	4	1	13	19	9	3		20	10	3	2

* Beginning with 1978, Table 8B will replace Table 8A to take account of changing U.S. trade patterns. For definition of countries included in new larger groupings see Appendix I.

Source: U.S. Department of Commerce, FT 990

TABLE 9A

DESTINATION OF U.S. EXPORTS* 1970-1978

(Percent)

	EC	Other Western Europe	Communist Europe	Japan	Canada	20 Latin American Republics	Near East	Africa	Other
1970	26	7	1	11	21	13	3	2	16
1971	25	7	1	9	23	13	4	2	16
1972	24	7	2	10	25	13	4	2	13
1973	23	6	3	12	21	13	4	2	16
1974	22	7	1	11	20	15	6	2	16
1975	21	7	3	9	20	15	8	3	14
1976	22	6	3	9	21	13	9	3	14
1977	22	6	2	9	21	14	9	3	14
1978	22	5	3	9	20	14	9	3	15

*Exports include both domestic and foreign merchandise.
Reexports account for 1.1 to 1.5 percent of total exports.

Source: U.S. Department of Commerce, FT 990

TABLE 9B

DESTINATION OF U.S. EXPORTS* 1977-1979

(Percent)

	EC	Other Western Europe	Communist Europe	Japan	Canada	Latin America	Other Western Hemisphere	OPEC	East Asia	Africa	Other
1977	22	6	2	9	21	10	1	12	8	3	6
1978	22	5	3	9	20	11	1	12	9	3	5
1979	24	7	3	10	18	12	1	8	10	3	4

* Exports include both domestic and foreign merchandise. Reexports account for 1.1 to 1.5 percent of total exports.

** Beginning with 1978, Table 9B will replace Table 9A to take account of changing U.S. trade patterns. For definition of countries included in larger groupings see Appendix I.

Source: U.S. Department of Commerce, FT 990

TABLE 10

U.S. IMPORTS FROM THE E.C. AND FROM ALL ORIGINS

(Millions of dollars, f.a.s. value basis)

Product	Total Imports		% Change 1979/1978	Imports from EC as % of total		Imports from EC		% Change 1979/1978
	1978	1979		1978	1979	1978	1979	
Grand total.....	172,026	206,327	+20%	17%	16%	29,009	33,295	+15%
Agricultural commodities.....	14,961	16,881	+13%	13%	11%	1,898	1,885	- 1%
Nonagricultural commodities.....	157,065	189,446	+21%	17%	17%	27,112	31,410	+16%
Food and live animals.....	13,521	15,171	+12%	7%	6%	980	822	-16%
Meat and meat preparations.....	1,856	2,539	+37%	11%	7%	211	167	-21%
Dairy products and birds' eggs.....	283	304	+ 8%	37%	37%	104	113	+ 9%
Fish, incl. shellfish, and preparations..	2,212	2,639	+19%	5%	3%	115	84	-27%
Beverages and tobacco.....	2,221	2,566	+16%	60%	62%	1,336	1,579	+18%
Alcoholic beverages--whiskey, beer, wine.	1,744	2,013	+16%	73%	74%	1,278	1,494	+17%
Wine, except prune wine and rice wine..	577*	629**	+ 9%	87%	87%	501*	544**	+ 9%
Crude materials, except fuels.....	9,334	10,651	+14%	4%	4%	407	467	+15%
(inedible)								
Industrial diamonds and other natural abrasives.....	93	116	+25%	34%	30%	32	35	+ 9%
Mineral fuels, lubricants, and related materials.....	42,105	60,061	+43%	4%	4%	1,499	2,537	+69%
Petroleum products--crude and refined....	39,109	56,046	+43%	3%	4%	1,133	2,284	+102%
Oils and fats--animal and vegetable..	511	740	+45%	7%	6%	36	42	+17%
Chemicals and related products.....	6,427	7,485	+17%	43%	40%	2,787	2,950	+ 6%
Organic chemicals.....	1,734	2,159	+25%	55%	53%	950	1,152	+21%
Manufactured goods classified chiefly by material.....	27,237	30,065	+10%	23%	21%	6,144	6,230	+ 1%
Rubber tires and tubes for vehicles and aircraft.....	923*	1,136**	+23%	39%	41%	357*	466**	+31%
Textile yarn, fabrics, and related products.....	2,200	2,216	+ 1%	27%	26%	593	569	+ 4%
Glass, glassware, pottery, and china.....	1,047	1,097	+ 5%	37%	39%	388	422	+ 9%
Iron and steel, and other ferrous metals.	7,259	7,466	+ 3%	32%	28%	2,301	2,062	-10%
Nonferrous metals.....	5,122	6,320	+23%	14%	15%	733	911	+24%
Machinery and transport equipment... ..	47,626	53,678	+13%	23%	25%	11,106	13,241	+19%
Machinery.....	24,404	28,045	+15%	25%	26%	6,100	7,241	+19%
Power generating machinery, incl. engines	3,244	3,472	+ 7%	35%	39%	1,132	1,339	+18%
Textile, sewing, and shoe machinery.....	877	830	- 5%	50%	55%	442	456	+ 3%
Office machinery and automatic data processing machines.....	2,254	2,500	+11%	25%	25%	557	618	+11%
Transport equipment.....	23,222	25,634	+10%	22%	23%	5,006	6,000	+20%
Passenger motor vehicles.....	13,850*	15,147**	+ 9%	25%	27%	3,482*	4,034**	+16%
Miscellaneous manufactured articles..	19,062	21,006	+10%	21%	22%	3,952	4,597	+16%
Clothing and accessories; leather and fur articles.....	5,657	5,876	+ 4%	8%	7%	446	425	- 5%
Footwear.....	2,585	2,859	+11%	27%	32%	694	903	+30%
Professional, scientific, and controlling instruments.....	981	1,159	+18%	41%	42%	403	482	+20%
Commodities and transactions not classified elsewhere.....	3,981	4,905	+23%	19%	17%	763	830	+ 9%

* IM 150/155, December 1978

** IM 150/155, December 1979

Sources: U.S. Department of Commerce, FT 990 December 1979, December 1978

TABLE 11

U.S. IMPORTS FROM THE E.C. BY COUNTRY

(Millions of dollars, f.a.s. value basis)

Product	F.R. GERMANY			FRANCE			ITALY			NETHERLANDS			BELGIUM/LUXEMBOURG			UNITED KINGDOM			IRELAND			DENMARK		
	% of US imports from EC			% of US imports from EC			% of US imports from EC			% of US imports from EC			% of US imports from EC			% of US imports from EC			% of US imports from EC			% of US imports from EC		
	1978	1979	in '79	1978	1979	in '79	1978	1979	in '79	1978	1979	in '79	1978	1979	in '79	1978	1979	in '79	1978	1979	in '79	1978	1979	in '79
Grand total.....	9,961	10,955	33%	4,054	4,771	14%	4,102	4,918	15%	1,603	1,852	6%	1,762	1,741	5%	6,513	8,029	24%	320	323	1%	694	707	2%
Food and live animals.....	136	122	15%	145	117	14%	71	64	8%	217	164	20%	30	12	2%	82	85	10%	12	16	2%	288	243	30%
Meat and meat preparations.....	3	2	1%	6	5	3%	(a)++	(a)	(b)+++	35	15	9%	2	1	1%	(a)	(a)	(b)	(a)	(a)	(b)	164	144	86%
Dairy products and birds' eggs.....	5	6	5%	22	26	23%	28	25	22%	14	15	13%	(a)	(a)	(b)	2	4	4%	(a)	(a)	(b)	33	37	33%
Fish, incl. shellfish, and preparations...	3	2	2%	8	3	4%	1	1	1%	12	14	17%	1	1	1%	13	14	17%	(a)	(a)	(b)	77	48	57%
Beverages and tobacco.....	136	136	9%	322	412	26%	219	255	16%	137	196	13%	2	2	(b)	501	557	35%	9	13	1%	9	9	1%
Alcoholic beverages--whiskey, beer, wine...	134	133	9%	300	363	24%	206	241	16%	130	189	13%	2	2	(b)	493	548	37%	9	13	1%	4	5	(b)
Wine, except prune wine and rice wine...	101	91	17%	208	228	42%	182	216	40%	2	2	(b)	1	1	(b)	7	6	1%	---	---	---	---	---	---
Crude materials, except fuels.....	63	91	20%	76	86	19%	21	21	5%	71	74	16%	44	47	10%	59	64	14%	32	35	8%	42	49	11%
Industrial diamonds and other natural abrasives.....	1	2	6%	1	1	3%	1	1	3%	2	2	6%	3	4	12%	7	5	14%	18	21	58%	---	---	---
Mineral fuels, lubricants, and related materials.....	325	224	9%	73	168	7%	238	413	16%	58	254	10%	17	25	1%	787	1,453	57%	(a)	(a)	(b)	(a)	(a)	(b)
Petroleum products--crude and refined.....	24	23	1%	66	141	6%	221	408	18%	41	251	11%	11	14	1%	770	1,446	63%	(a)	(a)	(b)	(a)	(a)	(b)
Oils and fats--animal and vegetable..	2	1	2%	(a)	1	2%	20	23	55%	8	11	26%	1	1	2%	3	4	10%	(a)	(a)	(b)	1	1	2%
Chemicals and related products.....	795	915	31%	470	472	16%	206	197	7%	332	351	12%	134	146	5%	731	765	26%	71	37	1%	47	68	2%
Organic chemicals.....	241	297	26%	121	153	13%	117	93	8%	163	228	20%	62	69	6%	204	258	22%	12	19	2%	29	34	3%
Manufactured goods classified chiefly by material.....	1,580	1,607	26%	1,161	1,221	20%	773	734	12%	343	336	5%	1,095	973	16%	1,083	1,249	20%	59	64	1%	49	45	1%
Rubber tires and tubes for vehicles and aircraft.....	61	92	20%	184	223	48%	59	77	17%	7	8	2%	5	8	2%	35	52	11%	6	6	1%	(a)	(a)	(b)
Textile yarn, fabrics, and related products.....	91	86	15%	73	75	13%	204	191	34%	29	22	4%	51	50	9%	127	125	22%	13	15	3%	6	4	1%
Glass, glassware, pottery, and china.....	141	153	36%	62	85	20%	44	45	11%	5	4	1%	15	12	3%	93	90	21%	22	26	6%	7	7	2%
Iron and steel, and other ferrous metals..	716	691	34%	563	528	26%	228	133	7%	191	161	8%	345	334	16%	254	211	10%	(a)	1	(b)	4	3	(b)
Nonferrous metals.....	211	205	23%	106	114	13%	38	40	4%	50	78	9%	163	142	16%	159	327	36%	3	2	(b)	3	1	(b)
Machinery and transport equipment....	5,985	6,849	52%	1,072	1,517	12%	1,004	1,189	9%	264	310	2%	262	346	3%	2,324	2,790	21%	76	93	1%	119	147	1%
Machinery.....	2,697	3,142	43%	593	715	10%	564	643	9%	244	291	4%	168	214	3%	1,649	2,021	28%	73	80	1%	113	135	2%
Power generating machinery, incl. engines.	462	532	40%	59	72	5%	40	45	3%	9	7	1%	5	7	1%	552	665	50%	(a)	1	(b)	4	10	1%
Textile, sewing, and shoe machinery.....	257	243	53%	42	47	10%	56	59	13%	12	13	3%	9	16	4%	60	73	18%	5	3	1%	1	1	(b)
Office machinery and automatic data processing machines.....	216	214	35%	112	127	21%	86	88	14%	22	19	3%	7	9	2%	101	149	24%	3	1	(b)	11	10	2%
Transport equipment.....	3,288	3,707	62%	480	802	13%	440	547	9%	20	19	(b)	94	131	2%	675	769	13%	2	13	(b)	6	12	(b)
Passenger motor vehicles.....	2,794	3,213	80%	96	119	3%	274	378	9%	(a)	1	(b)	7	1	(b)	311	322	8%	---	---	---	---	---	---
Miscellaneous manufactured articles..	745	784	17%	625	645	14%	1,497	1,971	43%	89	74	2%	101	118	3%	732	833	18%	44	44	1%	119	130	3%
Clothing and accessories; leather and fur articles.....	32	30	7%	135	124	29%	187	185	44%	2	2	(b)	5	5	1%	80	74	19%	3	4	1%	1	1	(b)
Footwear.....	23	13	2%	67	54	16%	569	802	89%	(a)	(a)	(b)	(a)	1	(b)	18	19	2%	14	11	1%	2	3	(b)
Professional, scientific, and controlling instruments.....	196	238	49%	46	50	10%	17	19	4%	13	16	3%	3	4	1%	91	117	24%	15	15	3%	22	22	5%
Commodities and transactions not classified elsewhere.....	192	227	27%	110	134	16%	53	52	6%	84	81	10%	76	70	9%	210	230	28%	16	19	2%	21	17	2%

++(a) = less than \$500,000

++(b) = less than 0.5 percent

Sources: U.S. Department of Commerce, IM 150/155, December 1979, December 1978

TABLE 12

U.S. EXPORTS TO THE E.C. AND TO ALL DESTINATIONS

(Millions of dollars, f.a.s. value basis)

Product	Total Exports		% Change 1979/1978	Exports to EC as % of total		Exports to EC		% Change 1979/1978
	1978	1979		1978	1979	1978	1979	
Grand total.....	141,154	178,578	+27%	22%	23%	31,354	41,672	+33%
Agricultural commodities.....	29,407	34,745	+18%	24%	22%	7,176	7,666	+ 7%
Nonagricultural commodities.....	111,747	143,833	+29%	22%	24%	24,177	34,006	+41%
<u>Food and live animals.....</u>	18,333	22,245	+21%	19%	17%	3,406	3,869	+14%
Meat and meat preparations.....	958	1,127	+18%	24%	25%	231	284	+23%
Grain and cereal preparations.....	11,634	14,451	+24%	13%	10%	1,508	1,494	- 1%
Vegetables and fruit.....	1,890	2,130	+13%	22%	22%	416	477	+15%
Feeding-stuff for animals, excl. unmilled cereals.....	1,921	2,317	+21%	51%	52%	975	1,204	+24%
<u>Beverages and tobacco.....</u>	2,293	2,337	+ 2%	36%	30%	836	700	-16%
<u>Crude materials, except fuels.....</u> (inedible)	15,553	20,755	+34%	31%	31%	4,769	6,324	+33%
Soybeans, except roasted as coffee substitute.....	5,210	5,708	+10%	44%	40%	2,302	2,258	- 2%
Paper base stocks--pulpwood, wood pulp....	1,177	1,644	+40%	36%	35%	421	571	+36%
Raw textile fibers and their waste.....	3,302*	3,046**	- 8%	8%	14%	265*	424**	+60%
Metal ores, concentrates, and scrap.....	1,839	3,325	+81%	26%	35%	475	1,147	+142%
<u>Mineral fuels, lubricants, and related materials.....</u>	3,878	5,616	+45%	20%	25%	757	1,420	+88%
<u>Oils and fats--animal and vegetable..</u>	1,521	1,845	+21%	14%	11%	209	204	- 2%
<u>Chemicals and related products.....</u>	12,618	17,306	+37%	28%	27%	3,554	4,604	+30%
Organic chemicals.....	3,370	5,055	+50%	33%	29%	1,094	1,474	+35%
Medicinals and pharmaceutical preparations	1,404	1,591	+13%	35%	34%	485	546	+13%
Synthetic resins and rubber or plastic material.....	2,088	3,241	+55%	25%	22%	513	703	+37%
<u>Manufactured goods classified chiefly by material.....</u>	12,466	16,236	+30%	20%	23%	2,513	3,654	+45%
Wood and cork manufactures.....	363*	454**	+38%	32%	38%	115*	174**	+51%
Paper, paperboard, and manufactures.....	1,597	1,967	+23%	22%	23%	357	451	+26%
Textile yarns, fabrics, and madeup articles.....	2,225	3,189	+43%	27%	32%	611	1,017	+67%
Nonferrous base metals and alloys.....	1,280*	2,152**	+68%	33%	30%	419*	651**	+55%
<u>Machinery and transport equipment....</u>	59,270	70,491	+19%	19%	20%	10,979	14,115	+29%
Machinery.....	37,022	44,741	+21%	22%	23%	8,265	10,473	+26%
Office machinery and computers.....	5,006	6,475	+29%	47%	49%	2,364	3,145	+33%
Transport equipment.....	22,248	25,750	+16%	12%	14%	2,714	3,642	+34%
Automobiles and other motor vehicles and parts.....	12,235	15,077	+23%	7%	8%	890	1,167	+31%
Aircraft and spacecraft and parts.....	8,204	9,719	+19%	22%	24%	1,757	2,355	+34%
<u>Miscellaneous manufactured articles..</u>	10,191	12,643	+24%	29%	30%	2,946	3,842	+31%
Professional, scientific, and controlling instruments and apparatus....	3,352	4,289	+28%	34%	33%	1,120	1,395	+25%
Photographic supplies.....	1,073	1,227	+14%	41%	40%	443	493	+11%
<u>Commodities and transactions not classified elsewhere.....</u>	5,030	9,103	+81%	20%	29%	1,024	2,654	+159%
Gold bullion and scrap--nonmonetary.....	1,123	4,929	+339%	71%	46%	797	2,287	+187%
<u>Special category.....</u> (commodities under security restrictions)	(4,489)*	(6,572)**	+46%	8%	4%	362	286	-21%

*EM 450/455, December 1978

**EM 450/455, December 1979

Sources: U.S. Department of Commerce, FT 990 December 1979, December 1978

TABLE 13

U.S. EXPORTS TO THE E.C. BY COUNTRY
(Millions of dollars, f.a.s. value basis)

Product	F.R. GERMANY		FRANCE		ITALY		NETHERLANDS		BELGIUM/LUXEMBOURG		UNITED KINGDOM		IRELAND		DENMARK									
	% of US exports to EC		% of US exports to EC		% of US exports to EC		% of US exports to EC		% of US exports to EC		% of US exports to EC		% of US exports to EC		% of US exports to EC									
	1978	1979	1978	1979	1978	1979	1978	1979	1978	1979	1978	1979	1978	1979	1978	1979								
Grand total.....	6,815	8,272	20%	4,085	5,474	13%	3,314	4,319	10%	5,607	6,852	17%	3,521	5,016	12%	6,937	10,351	25%	497	664	2%	577	724	2%
Food and live animals.....	836	746	19%	289	416	11%	551	460	12%	921	1,103	29%	286	410	11%	438	614	16%	37	57	2%	49	64	2%
Meat and meat preparations.....	21	24	9%	89	107	38%	2	4	1%	37	44	16%	45	54	19%	35	50	18%	(a)++	(a)	(b)+++	2	1	(b)
Grain and cereal preparations.....	281	199	13%	34	44	3%	363	258	17%	411	390	26%	188	285	19%	226	315	21%	(a)	(a)	(b)	5	2	(b)
Vegetables and fruit.....	147	171	36%	55	65	14%	24	25	5%	62	70	15%	22	19	4%	85	102	21%	4	4	1%	17	21	4%
Feeding-stuff for animals, excl. unmilled cereals.....	342	301	25%	48	90	8%	151	155	13%	371	560	47%	9	9	1%	17	27	2%	20	31	3%	18	32	3%
Beverages and tobacco.....	118	150	22%	22	21	3%	85	80	12%	82	86	12%	171	169	24%	300	155	22%	12	14	2%	45	25	4%
Crude materials, except fuels..... (inedible)	939	1,225	19%	420	538	9%	654	1,025	16%	1,624	1,836	29%	384	707	11%	599	826	13%	8	18	(b)	140	150	2%
Soybeans, except roasted as coffee substitute.....	380	346	15%	162	186	8%	225	241	11%	1,134	1,157	51%	130	96	4%	175	142	6%	---	---	---	96	91	4%
Paper base stocks--pulpwood, wood pulp....	98	141	25%	60	85	15%	81	116	21%	39	48	8%	35	53	9%	107	124	22%	1	1	(b)	(a)	(a)	(b)
Raw textile fibers and their waste.....	39	65	15%	32	34	8%	73	141	33%	14	16	4%	44	62	15%	58	88	21%	3	11	3%	2	7	2%
Metal ores, concentrates, and scrap.....	67	197	17%	5	7	1%	57	137	12%	174	247	22%	73	284	25%	96	271	24%	(a)	(a)	(b)	2	3	(b)
Mineral fuels, lubricants, and related materials.....	88	195	14%	137	269	19%	211	339	24%	142	241	17%	100	217	15%	76	135	10%	2	15	1%	2	8	1%
Oils and fats--animal and vegetable..	43	32	16%	19	21	10%	6	8	4%	84	82	40%	20	14	7%	40	45	22%	1	1	(b)	(a)	2	1%
Chemicals and related products.....	573	766	17%	501	589	13%	343	479	10%	753	1,014	22%	745	992	22%	535	636	14%	81	88	2%	23	40	1%
Organic chemicals.....	86	111	8%	61	98	7%	103	114	8%	391	564	38%	255	340	23%	155	204	14%	41	35	2%	3	9	1%
Medicinals and pharmaceutical preparations	83	95	17%	94	127	23%	60	75	14%	60	33	6%	92	111	20%	86	86	16%	7	14	3%	4	6	1%
Synthetic resins and rubber or plastic material.....	79	118	17%	47	60	9%	21	37	5%	121	171	24%	133	173	25%	102	129	18%	4	7	1%	6	8	1%
Manufactured goods classified chiefly by material.....	519	680	19%	343	529	15%	269	488	13%	297	399	11%	316	480	13%	679	942	26%	51	75	2%	39	61	2%
Wood and cork manufactures.....	48	61	35%	3	6	4%	5	12	7%	6	11	6%	11	22	13%	27	39	23%	2	2	1%	13	21	12%
Paper, paperboard, and manufactures.....	80	105	23%	52	66	15%	33	46	10%	51	49	11%	36	51	11%	98	122	27%	3	5	1%	3	6	1%
Textile yarns, fabrics, and madeup articles.....	95	130	13%	107	178	18%	90	188	19%	27	39	4%	108	169	17%	159	270	27%	19	31	3%	6	12	1%
Nonferrous base metals and alloys.....	87	117	18%	51	91	14%	47	73	11%	104	184	28%	16	38	6%	103	138	21%	4	3	1%	7	7	1%
Machinery and transport equipment....	2,645	3,276	23%	1,838	2,397	17%	809	1,043	7%	1,172	1,434	10%	1,210	1,638	12%	2,855	3,731	27%	253	319	2%	197	276	2%
Machinery.....	1,910	2,418	23%	1,458	1,856	18%	660	844	8%	821	1,028	10%	804	1,032	10%	2,235	2,835	27%	228	281	3%	148	180	2%
Office machinery and computers.....	606	830	26%	442	578	18%	157	209	7%	212	282	9%	146	207	7%	650	846	27%	100	137	4%	52	55	2%
Transport equipment.....	736	858	24%	379	541	15%	149	199	6%	352	406	11%	406	605	17%	620	897	25%	24	39	1%	49	97	3%
Automobiles and other motor vehicles and parts.....	220	321	28%	120	142	12%	19	23	2%	81	92	8%	269	340	29%	176	234	20%	1	2	(b)	5	11	1%
Aircraft and spacecraft and parts.....	495	511	22%	245	366	16%	126	162	7%	258	289	12%	132	261	11%	435	646	28%	23	36	2%	44	84	4%
Miscellaneous manufactured articles..	656	962	25%	465	591	15%	253	308	8%	350	450	12%	215	293	8%	863	1,092	29%	48	72	2%	56	75	2%
Professional, scientific, and controlling instruments and apparatus....	291	364	26%	191	241	17%	109	123	9%	124	151	11%	61	81	6%	304	378	27%	22	33	2%	18	24	2%
Photographic supplies.....	106	123	25%	59	68	14%	53	62	13%	82	77	16%	28	29	6%	104	118	24%	(a)	1	(b)	11	14	3%
Commodities and transactions not classified elsewhere.....	278	159	6%	35	75	3%	20	31	1%	106	180	7%	47	73	3%	518	2,114	80%	6	6	(b)	13	16	1%
Gold bullion and scrap--nonmonetary.....	238	83	4%	1	21	1%	2	3	(b)	76	125	6%	25	47	2%	456	2,007	88%	(a)	(a)	(b)	(a)	(a)	(b)
Special category..... (commodities under security restrictions)	79	82	29%	16	28	10%	113	59	21%	81	28	10%	28	23	8%	34	60	21%	(a)	(a)	(b)	12	6	2%

++(a) = less than \$500,000

++(b) = less than 0.5 percent

Sources: U.S. Department of Commerce, EN 450/455 December 1979, December 1978

TABLE 14

WORLD TRADE BALANCE AND CURRENT ACCOUNT BALANCE

(Billions of dollars)

WORLD TRADE BALANCE (Exports f.a.s., Imports c.i.f.)

	1965	1970	1975	1978	1979*
U.S.	+4.3	+0.8	+4.2	-39.2	-37.1
Canada	-0.2	+2.5	-2.1	+1.7	+3.4
Japan	+0.3	+0.4	-2.1	+18.5	-10.5
E.C.	-4.5	-3.9	-3.5	-0.6	-21.4
LDCs	-1.8	-2.3	+13.7	-1.6	+44.7
- OPEC	+4.2	+7.6	+58.8	+38.8	+95.8
Communist countries	+0.5	+0.5	-10.4	-6.5	-15.8
- USSR	+0.1	+1.1	-3.7	+1.6	+4.0
- China	+0.2	-0.2	-0.2	-1.0	-13.2
- Eastern Europe	+0.2	-0.4	-6.0	-7.5	-5.8

CURRENT ACCOUNT BALANCE (OECD BASIS)

	1965	1970	1975	1978	1979*
U.S.	+5.4	+2.3	+18.3	-13.9	0
Canada	-1.1	+1.1	-4.7	-4.6	-6.0
Japan	+0.9	+2.0	-0.7	+16.5	-7.5
E.C.	+0.9	+3.2	+0.3	+17.2	-5.9
LDCs	NA	-8.5	-10.2	-29.0	+18.0
- OPEC	NA	-0.5	+27.3	+7.0	+65.0

* Preliminary

Sources: IMF, OECD, Council of Economic Advisers, FT 990

APPENDIX I

Geographical Breakdowns

- Communist Europe = East Germany, Czechoslovakia, Hungary, Estonia, U.S.S.R., Albania, Romania, Bulgaria, Latvia, Lithuania, Poland.
- Latin America = Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Mexico, Colombia, Peru, Bolivia, Chile, Brazil, Paraguay, Uruguay, Argentina, Panama, Cuba, Haiti, Dominican Republic.
(Excludes Venezuela and Ecuador, members of OPEC).
- Other Western Hemisphere = Greenland, St. Pierre & Miquelon, Belize, Canal Zone, Bermuda, Bahamas, Jamaica, Turks and Caicos Islands, Cayman Islands, Leeward and Windward Islands, Barbados, Trinidad and Tobago, Netherlands Antilles, French West Indies, Guyana, Surinam, French Guyana, Falkland Islands.
- OPEC = Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Quatar, Saudi Arabia, United Arab Emirates, Venezuela.
- East Asia = Afghanistan, India, Pakistan, Nepal, Bangladesh, Sri Lanka, Burma, Thailand, Laos, Cambodia, Malaysia, Singapore, Brunei, Philippines, Macao, Southern Asia n.e.c., Republic of Korea, Hong Kong, Taiwan.
(Excludes Indonesia, a member of OPEC).
- Africa = Does not include Algeria, Libya, Nigeria or Gabon, all members of OPEC. Includes Egypt and the Republic of South Africa.

APPENDIX II

U.S. Trade Classification Systems

In this report two trade classification systems are used. The main one is the Standard International Trade Classification (SITC) which is used by most of the trading nations of the world. It includes the following categories:

- 0 Food and Live Animals
- 1 Beverages and Tobacco
- 2 Crude Materials, except Fuels - Inedible
- 3 Mineral Fuels, Lubricants, and Related Materials
- 4 Oils and Fats - Animal and Vegetable
- 5 Chemicals
- 6 Manufactured Goods Classified Chiefly by Material
- 7 Machinery and Transport Equipment
- 8 Miscellaneous Manufactured Articles
- 9 Commodities and Transactions not Classified Elsewhere
(U.S. goods returned and shipments under \$251)

The second classification system used is the "End-Use" classification which is a U.S. Government system based on combinations of two or more numbers of the Tariff Schedules of the United States Annotated (TSUSA). Although this system is not used by other nations, it has the advantage of distinguishing between capital goods and consumer goods. End-Use categories include:

- Foods, Feeds and Beverages
- Industrial Supplies and Materials
- Capital Goods, except Automotive,
- Automotive Vehicles, Parts and Engines
- Consumer Goods (Non-food), Except Automotive